

DOWNTOWN REVITALIZATION PRESERVATION PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

Facilitate the redevelopment of downtown areas and the creation of jobs by providing essential public infrastructure.

AUTHORIZATION

Sections 99.1080 to 99.1092, RSMo
(SB 210, 2005)

ELIGIBLE AREAS

Redevelopment area must be classified as “blighted” or a “conservation area”, shall not exceed 10% of the entire geographic area of the municipality and must be located in a “central business district.” At least 50% of the buildings in the central business district must be 35 years old or older. Other restrictions apply.

ELIGIBLE APPLICANTS

Municipalities with a population of 200,000 inhabitants or less, and median household income of sixty-two thousand dollars or less.

HOW THE PROGRAM WORKS

A portion of the new state and local taxes created by a redevelopment project can be diverted to fund eligible public infrastructure and related costs for a period of up to 25 years. The local match must be, at a minimum, 50% of the newly generated local sales taxes.

ELIGIBLE PROJECTS

Redevelopment projects that promote tourism and cultural activities that further the objectives of the redevelopment plan and for which the capital investment is:

Population of Municipality	Estimated Project Costs
100,000 to 199,999	\$5,000,000
50,000 to 99,999	\$1,000,000
10,000 to 49,999	\$500,000
1 to 9,999	\$250,000

FUNDING LIMITS

- ✓ A development project will not receive funds until it generates increment.
- ✓ A development project cannot receive more than half of the increased amount of state sales tax it generates.
- ✓ Disbursements combined with other state funding or incentives may not exceed projected state-benefit.
- ✓ The program is limited in any year to the amount appropriated. In any event the amount of disbursements may not exceed \$15,000,000.
- ✓ In the event appropriations from the fund are not adequate to cover approved disbursements, projects will receive a pro-rata share of increment.

APPLICATION PROCEDURE

Municipalities submit an application to the Department of Economic Development (DED). If a project is approved for funding, DED will issue a Certificate of Approval outlining the terms of the financing. Applications may be submitted at any time of the year, but only after approval of the local development plan and prior to the commencement of the project (either construction or bond financing).

EVALUATION CRITERIA

DED’s approval will be based on criteria that include:

- ✓ Meeting all eligibility requirements;
- ✓ Demonstrating the need for the public infrastructure in order for the project to occur;
- ✓ Demonstrating the need for the funding, such that the projected return on investment by the developer is below market standards without state/local subsidy, and that such subsidy is the least amount necessary to cause the project to occur;
- ✓ Demonstrating that the developer/businesses can successfully implement the project based on prior experience and financial viability;
- ✓ A positive net state fiscal benefit (deducting all state costs/incentives related to the project); and
- ✓ Availability of funding based on state appropriations.

CONTACT



DEPARTMENT OF ECONOMIC DEVELOPMENT

Business and Community Services

Development Finance

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ADDITIONAL RESOURCES

Go to the department's home page at

www.missouridevelopment.org to obtain

guidelines and forms for Downtown Preservation

as well as information regarding Missouri's

many other economic development programs and

policies.